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6 SHEA MORTGAGE, INC.

7  
8 **UNITED STATES DISTRICT COURT**  
9 **CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**  
10

11 JPMORGAN CHASE BANK, N.A.,

12 Plaintiff,

13 vs.

14 SHEA MORTGAGE, INC.,

15 Defendant.

) Case No.: 2:13-cv-09128-BRO(JCGx)

)  
) **NOTICE OF MOTION AND**  
) **MOTION TO DISMISS PLAINTIFF'S**  
) **COMPLAINT**

) DATE: March 3, 2014

) TIME: 1:30 p.m.

) CRTM: 14

) Judge: Hon. Beverly Reid O'Connell

) Action Filed: December 11, 2013  
)

18  
19 PLEASE TAKE NOTICE that on March 3, 2014, at 1:30 p.m., or as soon thereafter  
20 as counsel may be heard, in Courtroom 14 of the above-entitled court, located at 312 North  
21 Spring Street, Los Angeles, CA 90012, Defendant, Shea Mortgage, Inc. ("Shea") will and  
22 does hereby move this Court pursuant to Rule 12(b)(6) of the Federal Rules of Civil  
23 Procedure for an order dismissing the Complaint for the following reasons:

24 1. Plaintiff's First and Second Claims for Relief in the Complaint are time-  
25 barred by the statute of limitations which has accrued and run prior to the filing of this  
26 action for three of the five loans that form the basis of Plaintiff's claim; and

27 2. Plaintiff's First and Second Claims for Relief in the Complaint also fail  
28 because the alleged representations and warranties given by Shea did not survive past the

1 life of the loans, where three of the five loans have been foreclosed and liquidated, and any  
2 obligation of Shea to repurchase the loans or indemnify Plaintiff has thus been  
3 extinguished.

4 This motion is based on this Notice of Motion and all points and authorities cited  
5 therein, the record on file in this matter and such further evidence and argument as the  
6 Court may permit or require at or prior to the time of the hearing on this Motion. This  
7 Motion is made pursuant to a conference of counsel pursuant to L.R. 7-3, which began on  
8 January 16, 2014; this Motion will be immediately withdrawn if counsel can resolve this  
9 pleading dispute and avoid unnecessary motion practice.

10 Dated: January 23, 2014

GREEN & HALL, A PROFESSIONAL  
CORPORATION

11  
12  
13 By: /s/ Artin Betpera

Howard D. Hall, Esq.

Artin Betpera, Esq.

14 Attorneys for Defendant

15 SHEA MORTGAGE, INC.  
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**MEMORANDUM OF LAW AND AUTHORITIES**

Defendant, Shea Mortgage, Inc. (“Shea”), moves pursuant to Fed. R. Civ. P. 12(b)(6) to dismiss as time-barred the Complaint for Breach of Contract and Specific Performance (the “Complaint”) filed by Plaintiff, JPMorgan Chase Bank, National Association (“Chase”). To the extent that this motion draws upon matters outside the pleadings simply to establish, *inter alia*, the dates on which the loans at issue were purchased by Plaintiff to show the untimeliness of Plaintiff’s claims, Shea recognizes that this motion may be decided under Fed. R. Civ. P. 12(d) and 56. Shea thus moves in the alternative for summary judgment. The grounds for this motion are more fully set forth below in Shea’s supporting memorandum.

**I. SUMMARY OF ARGUMENTS**

Plaintiff has sued Shea for an alleged breach of a Correspondent Origination and Sales Agreement (“Sales Agreement”) and incorporated Chase Correspondent Lending Guide (“Lender’s Guide” and together with the Sales Agreement, the “Agreement”) executed between the parties for the sale and purchase of certain residential mortgage loans. More specifically, Plaintiff claims that Shea breached certain representations and warranties in the Agreement concerning five of the loans purchased by Plaintiff. As a preliminary matter and the subject of this motion, Plaintiff’s claims are untimely under New Jersey law, which the parties agree is applicable to this lawsuit. (Compl. ¶11). Plaintiff’s claims are also barred because the representations and warranties given by Shea, pursuant to the Sales Agreement, did not survive beyond the life of the loans.

First, New Jersey has a six-year statute of limitations for breach of contract claims. Therefore, the statute of limitations, which began to run when the supposed representations and warranties were allegedly breached, at the time of three loan sales on February 23, 2007, December 10, 2007, and December 11, 2007, respectively, ran in 2013. (*See* Ex. A; Ex. B, Declaration of Michael Cooney (“Cooney Decl.”), ¶4). Plaintiff did not file this suit until December 11, 2013, after the statute of limitations expired for three of the five loans

1 that form the basis of Plaintiff's claim. As such, plaintiff's claims related to three of five  
2 loans are time-barred and must be dismissed.

3 Second, the representations and warranties set forth in the Sales Agreement are only  
4 enforceable while the loans still exist. Therefore, any alleged obligation on behalf of Shea  
5 to repurchase the loans only applies for so long as the loans remain viable, and have not yet  
6 been foreclosed. As a result, Plaintiff's claims are also barred as to at least three loans  
7 because Shea's repurchase obligations (and the underlying representations and warranties  
8 that allegedly trigger any such repurchase obligation) were extinguished once the loans  
9 were foreclosed.

## 10 II. OVERVIEW OF THE COMPLAINT

11 Chase is a national association with its home office in Ohio. (Compl. ¶4). On or  
12 about May 1, 2011, Chase became the successor by merger to Chase Home Finance, LLC, a  
13 Delaware limited liability company ("CHF"). (*Id.*). Prior to that, on or about January 1,  
14 2005, CHF became the successor by merger to Chase Manhattan Mortgage Corporation, a  
15 New Jersey corporation ("CMMC"). (*Id.*). Shea is a correspondent lender that originated  
16 loans and sold them in the secondary mortgage market. (*Id.* ¶13). Shea sold loans to  
17 Plaintiff, including the five loans at issue in this lawsuit (the "Loans"). (*Id.* Ex. B). The  
18 Loans were sold pursuant to a Sales Agreement between Shea and CMMC dated as of  
19 October 11, 2000. (*Id.* ¶¶6, 13, Ex. A). The Sales Agreement expressly incorporated  
20 additional terms and conditions set forth in the Lender's Guide. (*Id.* ¶7). Plaintiff does not  
21 attach the Lender's Guide to its Complaint, but describes it as including certain types of  
22 guidelines and procedures, rate reservation, underwriting and delivery requirements. (*Id.*).  
23 Plaintiff claims that representations and warranties made by Shea in the Sales Agreement  
24 were not true at the time they were made. (*Id.* ¶¶14-16).

25 Pursuant to the terms of Section 4.2 of the Sales Agreement, all representations and  
26 warranties regarding the Loans are deemed to have been made **at the time of Shea's sale of**  
27 **the loan to Plaintiff**. Plaintiff is notably silent in its Complaint as to when the loans were  
28 sold, but such dates are readily discernible from a review of the relevant records. In

1 addition, pursuant to the terms of Section 4.2 of the Sales Agreement, all of the  
 2 representations and warranties set forth in Article IV “shall survive and continue in force  
 3 for the full remaining **life of the Loan.**” (*Id.* ¶6, Ex. A). In its pleading, Plaintiff refers to  
 4 an Exhibit B, which sets forth in scant detail the alleged breaches of the representations and  
 5 warranties under the Agreement with respect to the Loans. (*Id.* ¶13). Plaintiff claims that  
 6 Shea has a repurchase obligation in those instances in which “foreclosures have not  
 7 occurred and/or where the underlying real property securing the Loans has not been sold to  
 8 third parties, including but not limited to Loan 1 and 2 in Exhibit B.” (*Id.* ¶31) (Emphasis  
 9 added).

10 As a result of these alleged breaches, Plaintiff makes two overlapping claims for  
 11 relief: breach of contract (based on alleged breaches of representations and warranties in  
 12 the contract) and breach of contract (for failing to indemnify Plaintiff for loss also based on  
 13 alleged breaches of representations and warranties in the same contract).

### 14 **III. OVERVIEW OF THE LOANS**

15 All of the Loans set forth in Exhibit B attached to Plaintiff's Complaint, with the  
 16 exception of Loan No. 1 (Mitsuuchi) and Loan No. 4 (Robledo), were sold to Plaintiff on or  
 17 before December 11, 2007, six years prior to the date this suit was filed. (*See* Ex. A;  
 18 Cooney Decl. ¶4).<sup>1</sup> Therefore, claims involving three of the five Loans are time-barred.  
 19 The sale dates are important because the representations and warranties are deemed to have  
 20 been made and (allegedly) breached at the time the Loans were purchased by Plaintiff  
 21 (§ 4.2 of the Sales Agreement), and, for purposes of the statute of limitations, Plaintiff's  
 22 claims accrued *Id.* the alleged breach.

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23  
 24 <sup>1</sup> In ruling on a motion to dismiss, the court “may consider extraneous documents to  
 25 which a plaintiff refers in the complaint or on which the claims in the complaint were based  
 26 without converting the motion to dismiss into one for summary judgment.” *Andreyko v.*  
 27 *Sunrise Sr. Living, Inc.*, Civ. No. 12-7240(KM), 2013 WL 5774129, at \*3 (D.N.J. Oct. 24,  
 28 2013). Plaintiff's pleading fails to identify the dates on which the loans were sold,  
 foreclosed, or when the properties securing the loans were liquidated. Plaintiff's silence  
 cannot preclude Shea from moving to dismiss on the basis of these readily ascertainable and  
 easily verified dates.

In addition, Plaintiff also claims that foreclosures have not occurred and/or the underlying real property securing the Loans has not been sold to third parties, for Loan No. 1 (Mitsuuchi) and Loan No. 2 (Green), which is also time-barred, in Exhibit B. (Compl. ¶31). It therefore implicitly (and accurately) acknowledges that the three remaining loans had already been foreclosed well before this suit was filed. Consequently, as described in the below chart, four of the five loans are either time-barred or not subject to repurchase because the properties have been liquidated:

	<u>Borrower</u>	<u>Chase Loan No.</u>	<u>Shea Loan No.</u>	<u>Sale Date to Chase</u>	<u>Foreclosed and Sold to Third Party</u>
1	<i>Mitsuuchi</i> <sup>2</sup>	xxxxxx6386	xxxxxx0040	December 31, 2007	No
2	Green	xxxxxx5237	xxxxxx0026	<b>December 10, 2007</b>	No
3	Norman	xxxxxx5758	xxxxxx0027	<b>December 11, 2007</b>	<b>Yes</b>
4	Robledo	xxxxxx4834	xxxxxx0019	December 26, 2007	Yes
5	Sheppard	xxxxxx4975	xxxxxx0017	<b>February 23, 2007</b>	<b>Yes</b>

#### **IV. ARGUMENT AND AUTHORITIES**

##### **A. Chase's Claims for Breach of Contract and for Indemnification are Time-Barred Because the Statute of Limitations has Accrued and Run Prior to the Filing of This Action**

“Pursuant to Federal Rule of Civil Procedure 12(b)(6), a complaint or portions of a complaint may be dismissed for failure to state a claim upon which relief can be granted.” *Nix v. Option One Mortg. Corp.*, No. Civ. 05-03685(RBK), 2006 WL 166451, at \*2 (D.N.J. Jan. 19, 2006).<sup>3</sup> Section 7.8 of the Sales Agreement calls for the application of New Jersey law. (Compl. ¶11).

<sup>2</sup> If it is determined that the Mitsuuchi loan has in fact been foreclosed, but not yet sold to a third party, all five loans are either time-barred, or extinguished because the loan no longer exists.

<sup>3</sup> In *Nix*, the plaintiff filed claims under the Trust in Lending Act (TILA) and for breach of contract arising from a dispute over a residential mortgage loan agreement. The court granted a motion to dismiss as it related to the claim for breach of contract, finding that the claim was time-barred by New Jersey's six-year statute of limitations.

Under New Jersey law, a cause of action arising from an alleged breach of contract has a six-year statute of limitations. *See* N.J. Stat. Ann. §2A:14-1 (“every action at law ... for recovery upon a contractual claim ... shall be commenced within six years next after the cause of any such action shall have accrued.”). New Jersey courts have recognized that, “Ordinarily, the statute of limitations begins to run from the moment of the wrong.” *Akselrad v. Township of West Windsor*, 2007 WL 1261107, at \*8 (N.J. Super. App. Div. May 2, 2007); *see also* *Vision Mortgage Corp., Inc. v. Chiapperini*, 156 N.J. 580, 586 (1999) (“all or even the greater part of the damages” need not have occurred before the cause of action arises).

Courts outside of New Jersey have recently adjudicated the issue of when a mortgage repurchase/indemnification claim accrues. Just last month, in *ACE Sec. Corp. v. DB Structured Prods., Inc.*, 2013 WL 6670379 (N.Y. App. Div. Dec. 19, 2013), the New York State Appellate Division unanimously reversed the trial court's decision which denied defendant's motion to dismiss on statute of limitations grounds. The Appellate Division held that the statute of limitations for mortgage buyback claims begins to run on the date when the alleged breach of representations and warranties was made, rather than the later date on which the alleged failure to repurchase occurred.<sup>4</sup>

In support of its ruling, the Appellate Division explained that “[t]he motion court erred in finding that plaintiff's claims did not accrue until defendant either failed to timely cure or repurchase a defective mortgage loan. To the contrary, the claims accrued on the closing date of the [Mortgage Loan Purchase Agreement], March 28, 2006, when any breach of the representations and warranties contained therein occurred.” *Id.* at \*1. Likewise, “Delaware's statute of limitations for contract claims begins to run on the date of

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<sup>4</sup> Here, because Plaintiff makes two overlapping claims for relief, both breach of contract (based on alleged breaches of representations and warranties in the contract) and breach of contract (for failing to indemnify Plaintiff for loss also based on alleged breaches of representations and warranties in the same contract), the statute of limitations analysis is the same for each count in Plaintiff's complaint.

1 the breach, regardless of whether the plaintiff is ignorant of the cause of action. That is  
 2 established law and not subject to debate. Because representations and warranties about  
 3 facts pre-existing, or contemporaneous with, a [sale] are to be true and accurate when made,  
 4 a breach of such representations and warranties occurs on the date of the [sale's] closing  
 5 and hence the cause of action accrues on that date.” *Central Mtg. Co. v. Morgan Stanley*  
 6 *Mtg. Cap. Holdings*, 2012 WL 3201139, \*17 (Del. Ch. Aug. 7, 2012) (also dealing with  
 7 the sale of mortgage loans) (internal quotations omitted). These and other cases thus stand  
 8 solidly for the proposition that the statute of limitations, for the purposes of a mortgage  
 9 buyback claim, begins to run on the date the loan was sold.

10 In this case, Chase filed its Complaint on December 11, 2013, asserting that Shea  
 11 breached the Sales Agreement, *inter alia*, by “submitting the Correspondent Agreement  
 12 Loans to [Chase] for purchase when such loans were not, in fact, eligible for purchase...”  
 13 (Compl. ¶21). Pursuant to the terms of Section 4.2 of the Sales Agreement, all  
 14 representations and warranties regarding the Loans are deemed to have been made, “as of  
 15 the Purchase Date.” The right to bring this claim (to the extent such a right ever existed), in  
 16 other words, belonged to Chase from the date Chase purchased the Loans, based on the  
 17 alleged misrepresentations in the loan file. Chase’s breach of contract claim is therefore  
 18 barred by the statute of limitations for any loan purchased on or before December 11, 2007  
 19 (six years prior to December 11, 2013). Here, the Sheppard loan sold to Chase on  
 20 February 23, 2007, Green loan sold to Chase on December 10, 2007, and the Norman loan  
 21 sold to Chase on December 11, 2007 are all time-barred. (*See* Ex. A; Cooney Decl. ¶4).

22 **B. Chase's Claim for Breach of Contract and for Indemnification Fail**  
 23 **Because the Representations and Warranties Given by Shea did not**  
 24 **Survive Beyond the Life of the Loans**

25 Plaintiff's claims are also barred in regards to the Norman, Robledo, and Sheppard  
 26 loans because the loans were foreclosed. The representations and warranties given by Shea,  
 27 as set forth in the Sales Agreement, expressly were to terminate when the Loans themselves  
 28 were terminated. In other words, Shea's supposed repurchase and indemnification

obligations extinguished upon foreclosure of each subject loan. Section 4.2 of the Sales Agreement states:

All of the representations and warranties set forth in Article IV shall survive and continue in force for the full remaining life of the Loan and are made for the benefit of Chase and its successors and assigns.

(See Compl., Ex. A) (emphasis added).

There can be little question that the effect of a foreclosure is to terminate a loan, such that it ceases to exist. See, e.g., *Gonzalez v. Wilshire Credit Corp.*, 25 A.3d 1103, 1117 (N.J. 2011) (citing 30A Myron C. Weinstein, *New Jersey Practice, Law of Mortgages* § 31.36 (2d \*581 ed. 2000)) (the “general rule” is that “a loan no longer exists after a default leads to the entry of a final judgment.”). Under New Jersey law, “[i]t is well settled law that upon entry of a final judgment of foreclosure, a mortgage merges into the final judgment, and therefore ceases to exist from that date.” *Silvestri v. Wells Fargo Bank Minnesota, N.A.*, No. C-227-05, 2005 WL 2810698, at \*1 (N.J. Super. App. Div. Oct. 27, 2005) (citing *Virginia Beach Federal v. Bank of New York*, 299 N.J. Super. 181, 188 (N.J. App. Div. 1997)); see also *In re Bridgepoint Nurseries*, 190 B.R. 215, 221 (D.N.J. 1996) (“Under New Jersey law, the mortgage is merged into the final judgment of foreclosure and the mortgage contract is extinguished. As a result, upon entry of a foreclosure judgment all contractual rights under the mortgage are merged into the foreclosure judgment.”).

When interpreting a contract, New Jersey law requires an “examination solely into that intent which is expressed or apparent in the writing.” *Deerhurst v. Estates v. Meadow Homes, Inc.*, 165 A.2d 543, 550 (N.J. Super. App. Div. 1961). “An actual intent which is not made known in the instrument will not be given effect.” *Id.* Moreover, “the law will not enforce a different contract than the parties have seen fit to express in their writing.” *Id.* “The ordinary meaning is to be given to words, unless circumstances show that a different meaning is applicable.” *Id.* at 551. The accepted standard for interpreting agreements is to apply the same meaning recognized by a “reasonably intelligent person” who was familiar with the “usages and circumstances surrounding the making of the writing.” *Id.*

1 In this case, the court should ascribe the plain and ordinary meaning to the term “life  
2 of the Loan” used in the Sales Agreement. Here, Loan No. 3 (Norman), Loan No. 4  
3 (Robledo), and Loan No. 5 (Sheppard) referenced in Exhibit B attached to Plaintiff’s  
4 Complaint have all been foreclosed and the properties securing the loans, subsequently  
5 liquidated. (Compl. ¶31). As a result, Plaintiff is barred from commencing litigation for  
6 any alleged breach of representations and warranties related to these three loans.

## 7 **V. CONCLUSION**

8 Plaintiff’s claims for relief in the Complaint are time-barred by the statute of  
9 limitations, which expired prior to the filing of this action for three of the five loans that  
10 form the basis of Plaintiff’s claim. Second, Plaintiff’s claims also fail because the alleged  
11 representations and warranties given by Shea did not survive beyond the life of the loans,  
12 and three of the five loans have been foreclosed and liquidated. For all the foregoing  
13 reasons, and on the authorities cited, Shea requests that the Complaint be dismissed in its  
14 entirety as to the Sheppard, Green, Norman and Robledo loans.

15 Dated: January 23, 2014

GREEN & HALL, A PROFESSIONAL  
CORPORATION

17 By: /s/ Artin Betpera

18 Howard D. Hall, Esq.

19 Artin Betpera, Esq.

20 Attorneys for Defendant

SHEA MORTGAGE, INC.

EXHIBIT A

TO SHEA'S MOTION TO DISMISS  
PURCHASE ADVICE FROM CHASE FOR GREEN,  
NORMAN, MITSUUCHI, & ROBLEDO LOANS



Phone: (800) 773-3968

PURCHASE ADVICE - BATCH SUMMARY REPORT

Shea Mortgage, Inc. (A2821)  
 130 Vantis, Ste 110  
 Aliso Viejo, CA 92656  
 To: Mike Cooney Fax: (949) 389-7182

Run Date: 12/10/07  
 Funding Date: 12/10/07

Bank Name: US BANK  
 ABA #: 0022  
 Credit To: SHEA MORTGAGE INC COLL AC  
 Further Credit: SHEA MORTGAGE, INC  
 City/State: BOSTON, MA  
 Acct #: 6533  
 Acct #:

Loan #	Corr Loan #	Closed	Name	Last Paid Date	Rate %	Purchase Price %	P/in Balance	Int Adj	Disc	Escrow Balance	SRP %	SRP Amount	SRP Withheld	Buydown Fee	Fees	Lock Fee Adj	Net Wire
5237	0026	11/29/07	Green, Dan	12/1/07	5.250	96.05175	416,428.00	546.56	-16,441.62	-2,772.18	1.4330	6,175.63	0.00	0.00	-194.00	0.00	403,742.39
SUBTOTAL: 1 Loan 403,742.39																	
GRAND TOTAL: 1 Loan 403,742.39																	

If a financial discrepancy is identified, please notify the appropriate Research Coordinator within 45 days of purchase by completing the Research Submission Form provided in your Lending Guide.



Page: 1

Phone: (800) 773-3968

**PURCHASE ADVICE - BATCH SUMMARY REPORT**

Shea Mortgage, Inc. (A2821)  
130 Vantis, Ste 110  
Aliso Viejo, CA 92656  
To: Mike Cooney Fax: (949) 389-7182

Run Date: 12/11/07  
Funding Date: 12/11/07

Bank Name:	US BANK	City/State:	BOSTON, MA
ABA #:	000000022	Acct #:	00000006533
Credit To:	SHEA MORTGAGE INC COLL AC	Acct #:	
Further Credit:	SHEA MORTGAGE, INC		

**Lock**

Loan #.	Corr Loan #	Closed	Name	Last Paid Date	Purchase Price %	Prin Balance	Int Adj	Disc	Escrow Balance	SRP %	SRP Amount	SRP Withheld	Buydown Fee	Fee Adj	Net Wire
0000000243	0000000007	11/16/07	Wilson, Alan	12/1/07	6.250	99,894.10	206,061.00	357.74	-218.22	-391.24	1.4640	3,016.72	0.00	0.00	208,041.00
0000000578	0000000027	11/30/07	Norman, Debra	12/1/07	6.375	100.117050	417,000.00 / 738.44		710.99 / -1,871.38	1.3710	5,717.07	0.00	0.00	-194.00 / 0.00	422,101.12

**SUBTOTAL:**

## 2 Loans

**630,142.12**

**GRAND TOTAL:**

## 2 Loans

630,142.12

If a financial discrepancy is identified, please notify the appropriate Research Coordinator within 45 days of purchase by completing the Research Submission Form provided in your Lending Guide.



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PURCHASE ADVICE - BATCH SUMMARY REPORT

Shea Mortgage, Inc. (A2821)  
 130 Vantage, Ste 110  
 Aliso Viejo, CA 92656  
 To: Mike Cooney Fax: (949) 389-7182

Run Date: 12/13/07  
 Funding Date: 12/13/07

Bank Name: US BANK  
 ABA #: 0022  
 Credit To: SHEA MORTGAGE INC COLL AC  
 Further Credit: SHEA MORTGAGE, INC

City/State: BOSTON, MA  
 Acct #: 6533  
 Acct #:

Loan #	Corr Loan #	Closed	Name	Last Paid Date	Rate %	Purchase Price %	Prin Balance	Int Adj	Disc	Escrow Balance	SRP %	SRP Amount	SRP Withheld	Buydown Fee	Fees	Look Fee Adj	Net Wire
7027	0030	11/30/07	Schmehorn, Georgie M	12/1/07	6.250	99.36300	520,500.00	1,084.38	-167.36	-4,162.14	1.1050	5,751.53	0.00	0.00	-194.00	0.00	522,818.41
7624	0007	12/03/07	cristono, etc	1/1/08	6.000	98.11400	692,000.00	-2,191.33	-13,051.12	0.00	1.0340	7,155.28	0.00	0.00	-194.00	0.00	693,718.83
1462	0035	11/26/07	MACDONALD, TOM	12/1/07	6.250	99.74425	300,000.00	625.00	-767.25	0.00	1.2840	3,852.00	0.00	0.00	-194.00	0.00	300,515.75
5769	0000	11/30/07	Ben David, Ilian	12/1/07	6.125	99.91575	300,000.00	612.50	-252.75	-2,812.48	1.2050	3,815.00	0.00	0.00	-194.00	0.00	279,732.00
8003	0009	11/30/07	Shimada, Yukie	12/1/07	5.250	96.18790	286,437.00	501.26	-10,918.26	0.00	1.3640	3,907.00	0.00	0.00	-194.00	0.00	352,030.88
6386	0040	10/31/07	Mitsuchi, Todd	12/1/07	6.500	100.05900	347,961.00	753.92	-205.30	-1,855.80	-1,4830	5,160.26	0.00	0.00	-194.00	0.00	421,729.28
8158	0009	11/29/07	COMELLA, ROBERT	12/1/07	6.375	99.79550	417,000.00	886.13	-852.76	-827.16	1.3710	5,717.07	0.00	0.00	-194.00	0.00	421,729.28
SUBTOTAL:																	2,864,513.21
7 Loans																	2,864,513.21
GRAND TOTAL:																	2,864,513.21
7 Loans																	2,864,513.21

If a financial discrepancy is identified, please notify the appropriate Research Coordinator within 45 days of purchase by completing the Research Submission Form provided in your Lending Guide.



**Page: 1**

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**PURCHASE ADVICE - BATCH SUMMARY REPORT**

Shea Mortgage, Inc. (A2821)  
130 Vantis, Ste 110  
Aliso Viejo, CA 92656  
To: Mike Cooney Fax: (949) 389-7182

Run Date: 12/26/07  
Funding Date: 12/26/07

Bank Name:	US BANK
ABA #:	000000022
Credit To:	SHEA MORTGAGE INC COLL AC
Further Credit	SHEA MORTGAGE, INC

City/State: **BOSTON, MA**  
Acct #: **[REDACTED] 6533**  
Acct #:

Loan #	Corr Loan #	Closed	Name	Last Paid Date	Rate%	Purchase Price %	Pri Balance	Int Adj	Disc	Escrow Balance	SRP %	SRP Amount	SRP Withheld	Buydown Fee	Fees	Lock Fee Adj	Net Wife
<del>2336</del>	<del>0068</del>	12/07/07	Bhat, Shaleesh	1/1/08	6.750	98.77000	820,146.00	-922.66	-10,087.80	0.00	1.0690	8,931.39	0.00	0.00	-194.00	0.00	817,872.93
<del>3010</del>	<del>0049</del>	12/14/07	JOHNSON, CHELSIE	1/1/08	6.875	99.25760	273,137.00	-267.45	-2,027.77	0.00	1.3640	3,725.59	0.00	0.00	-194.00	0.00	274,373.37
<del>4834</del>	<del>0019</del>	12/18/07	ROBLEDO, LEONARD	1/1/08	6.500	99.92410	368,865.00	-399.60	-279.97	-2,942.36	1.4830	5,470.27	0.00	0.00	-194.00	0.00	370,579.34
SUBTOTAL:																	
3 Loans 1,462,766.64																	

**GRAND TOTAL:**

### 3 Loans

**1,462,765.64**

3. If a financial discrepancy is identified, please notify the appropriate Research Coordinator within 45 days of purchase by completing the Research Submission Form provided in your Lending Guide.

EXHIBIT B

TO SHEA'S MOTION TO DISMISS

DECLARATION OF MICHAEL COONEY  
(SHEPPARD LOAN)

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA,  
WESTERN DIVISION

CASE NO. 2:13-cv-09128-BRO-JCG

JPMorgan Chase Bank, National  
Association,

Plaintiff,

vs.

Shea Mortgage, Inc., a California  
corporation,

Defendant.

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**DECLARATION OF MICHAEL COONEY IN SUPPORT OF SHEA MORTGAGE'S  
MOTION TO DISMISS**

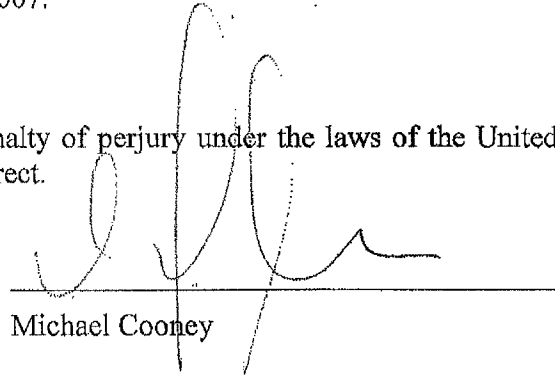
I, Michael Cooney, under penalty of perjury, declare as follows:

1. I am over 18 years of age and competent to testify if so called. All statements made herein are true and correct and based upon my personal knowledge gained from a review of the business records of Shea Mortgage, Inc. ("Shea").
2. I am currently employed by Shea as Senior Vice President of Secondary Marketing. I have been employed by Shea for the past 8 years. In my position, I have access to the business records of Shea, and have extensive familiarity with these records.
3. Shea is a residential mortgage company affiliated with Shea Homes (one of the nation's leading homebuilders). Over a period of several years, Shea sold residential mortgage loans to the entity now known as JPMorgan Chase Bank, National Association ("Chase").

4. In this matter, Shea sold residential mortgage loans to Chase under a Correspondent Origination and Sales Agreement (the "Agreement"), including a residential mortgage loan issued to borrower James Sheppard (Shea Loan No. xxxxxx0017 / Chase Loan No. xxxxxx4975) (the "Sheppard Loan"). Shea funded the Sheppard Loan on January 31, 2007, and subsequently sold the Sheppard Loan to Chase on February 23, 2007.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Dated: January 22, 2014



Michael Cooney